

**Michigan House Insurance Committee
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Testimony from Allyson Blandford
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Express Scripts**

My name is Allyson Blandford and I represent Express Scripts. We are the largest pharmacy benefit manager in the country serving more than 100 million Americans. Our clients include health plans, employers, government groups and unions. Here in Michigan, some of our clients include Blue Cross Blue Shield of Michigan, Blue Care Network of Michigan, UAW Retirees (Medical Benefits) Trust, General Motors Corporation, Meijer, and Ally Financial. We are also the PBM for the Department of Defense's Tricare program.

Express Scripts opposes House Bill 5876 because it attempts to eliminate cost saving tools for competitive retail pharmacy networks and the use of lower cost mail order pharmacies.

Pharmacy Benefit Managers provide services to their clients to help them keep prescription drug coverage affordable. We implement savings tools such as mail order, retail networks, formulary development, generic drug utilization, and specialty pharmacy services.

Legislative attempts to restrict competitive bidding for retail network access will increase drug costs for both plan sponsors and patients. HB 5876 interferes with the private contract negotiation process between PBMs and their retail providers. Express Scripts offers multiple retail networks of varying sizes for our plan sponsors to choose. Our broadest network in Michigan includes more than 2,300 pharmacies. Other networks are narrower and therefore offer greater savings. Each plan sponsor selects the network to fit their needs. For example, an employer with 100,000 employees will have a different budget for prescription drug coverage than an employer with 200 employees. HB 5876 attempts to create one-size-fits all approach to retail networks.

HB 5876 also prohibits plan sponsors from structuring their prescription drug benefit to incentivize members from using lower-cost mail order. Mail order pharmacies use highly advanced automated dispensing systems. For patients who take medications daily for chronic illnesses, a 90-day supply at mail is the lowest cost option. For example, many plan sponsors will provide a 3 month supply at mail for the cost of a 2 month supply.

Limitations on cost-savings such as retail networks and mail order increase prescription drug spending for both plan sponsors and patients. We urge the committee not to pursue further movement on this bill. Thank you.